Tax & Financial Differences:

You will be provided the financial statements and tax return for the United Way of Connecticut covering the same fiscal year. If you wish to select another charitable organization, you must have permission from the instructor but it should serve the Connecticut area and have readily available tax and financial statements. You will then compare these tax and financial documents with those you may have seen with for-profit entities. You may refer to the EDGAR database for a publicly traded company’s financial statements if you want to re-familiarize yourself with them. You may also search for Form 1120 for a comparison for-profit tax form. You will prepare a paper (APA format) of at least four pages but no more than ten, and a presentation of less than eight minutes that discusses the following matters: • What are some unique elements of the financial statements in comparison to those of a for-profit entity? You only need to select two or three items for discussion, although many more differences exist. Considerations can include differences in the independent auditor’s report, individual financial statements, terminology and presentation differences, and unique disclosures, etc. • What are some unique elements of the tax returns in comparison to those of a for-profit entity? You only need to select two or three items for discussion, although many more difference exist. Considerations can include public disclosure, nature of items disclosed, classification of items, and extent of disclosures, and number of schedules, etc. • Conclude by discussing whether it appears for-profit or non-profit companies have information requiring disclosure and/or reporting. Considering the fundamental differences between for-profit and non-profit organizations, does this make sense? Why or why not?